

**Actions Affecting Major State Tax, License and Fee Estimates
and Estimates of Net Available State General Fund Revenue**

2015 Regular Session

Instrument	Description	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
SESSION ACTIONS - REVENUE							
Motor Fuels Tax							
Act 147 Regular Session SB 271	Converts the taxation basis for CNG and LPG from a self-reporting flat payment basis to gallon equivalent fuels tax basis collected as pumped. Also, reduces the discounts provided for timely filing and remittance.		\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000
Corporate Income & Franchise Tax							
Act 125 Regular Session HB 629	Reduces selected tax credits by 28%. Applicable to all returns filed after July 1, 2015 through June 30, 2018. Returns filed pursuant to an extension can recoup the credit amount denied in FY16 evenly over the three subsequent fiscal years. Amended returns are not affected. Certain tax incentive programs are affected only with new applications after July 1, 2015.		\$31,500,000	\$33,500,000	\$27,600,000	(\$2,900,000)	(\$3,600,000)
Act 123 Regular Session HB 624	Reduces selected tax deductions/exclusions by 28%. Applicable to all returns filed after July 1, 2015 through June 30, 2018. Returns filed pursuant to an extension can recoup the credit amount denied in FY16 evenly over the three subsequent years, beginning with returns filed for calendar year 2017. Amended returns are not affected.		\$122,000,000	\$122,000,000	\$85,000,000	(\$37,000,000)	(\$37,000,000)
Act 103 Regular Session HB 218	Eliminates the tax carry-back deduction of net operating losses. Applicable to all returns filed after July 1, 2015. Amended returns are not affected.		\$29,000,000	\$29,000,000	\$29,000,000	\$29,000,000	\$29,000,000
Acts 123 & 103 Regular Session HBs 624 & 218	Net operating loss deductions are restricted in both bills. HB 218 eliminates the carry-back option entirely, while HB 624 limits the deduction by 28%. The interaction of the two bills reduces their gross effect by some \$8 million in each of the years that HB 624 is effective.		(\$8,000,000)	(\$8,000,000)	(\$8,000,000)		
Act 126 Regular Session HB 635	Reduces selected tax rebates by 20%. Primarily affects the Quality Jobs and Enterprise Zone programs. Applicable to applications after July 1, 2015 through June 30, 2018. Also permanently excludes retail and restaurants & drinking establishments from the EZ program for new applications after July 1, 2015. Advance notification prior to July 1, 2015 retain benefits but must wait until July 1, 2016 to first claim them. Supersedes the provisions of HB 466.		\$5,000,000	(\$900,000)	\$12,200,000	\$18,400,000	\$20,400,000

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Act 133 Regular Session HB 805	Allows credit for local ad valorem tax paid on inventory to offset state tax liability, and refunds 75% of the balance of the credit. The remaining 25% of the credit is allowed to be carried forward for five subsequent tax periods. Tax filers with less than \$10,000 of credit are exempt, and a research & development credit is converted from a refundable credit to a nonrefundable credit with a five-year carry-forward. Applicable to all returns filed after July 1, 2015. Amended returns are not affected.		\$129,000,000	\$138,000,000	\$146,000,000	\$156,000,000	\$166,000,000
Act 131 Regular Session HB 779	Makes various changes to the solar tax credit program including providing program caps that are expected to reduce the amount of tax credit allowed in each fiscal year.		\$19,000,000	\$13,000,000	\$23,000,000		
Act 134 Regular Session HB 829	Caps the realizations of credits and transfers to the state at \$180 million per year for the next three fiscal years; FY16, FY17, and FY18. Suspends transfers to the state for the next fiscal year. Makes various other changes to program parameters. Effective July 1, 2015.		\$77,000,000	\$70,000,000	\$70,000,000		
Act 112 Regular Session HB 449	Provides for the sale of aircraft in the sales factor of the apportionment calculation of aircraft manufacturing firms. Makes the location of sale be the location where the aircraft is primarily stored. Out-of-state sales will lower the factor, while in-state sales will increase the factor. The net effect is unknown.		Unknown	Unknown	Unknown	Unknown	Unknown
Act 142 Regular Session SB 102	Limits film tax credits to Above the Line services expenditures that are no more than 40% of total project production expenditures. Effective for applications received on or after July 1, 2015.			INCREASE	INCREASE	INCREASE	INCREASE
Act 143 Regular Session SB 103	Excludes certain expenditures associated with airfare, bond fees, insurance premiums, financ fees, loan interest fees, or similar payments from eligibility to generate film tax credits. Effective for applications received on or after July 1, 2016.				INCREASE	INCREASE	INCREASE
Act 129 Regular Session HB 748	Makes various changes/codifications to the film tax credit program. Expands th costs of the program after January 1, 2016 by allowing marketing expenditures to qualify for the generation of tax credits.			DECREASE	DECREASE	DECREASE	DECREASE
Act 104 Regular Session HB 244	Extends the Angel Investor Tax Credit Program to July 1, 2017.		\$0	\$0	\$0	(\$1,000,000)	(\$2,000,000)

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Act 108 Regular Session HB 387	Extends the tax credit for rehabilitation expenses associated with historic nonresidential and rental property through 2021. Excludes certain state or federal project funding from the credits, and also reduces the existing 25% credit to 20% for expenses incurred after January 1, 2018.		\$0	\$0	\$0	(\$9,000,000)	(\$36,000,000)
Act 117 Regular Session HB 508	Creates a pilot program granting a deduction for 50% of the wages paid to qualified disabled individuals for the first four continuous months of employment, dropping to 30% for all months after. The program allows 100 qualified persons to participate. Effective upon governor's signature.		(\$12,500)	(\$25,000)	(\$25,000)	(\$25,000)	(\$25,000)
Individual Income Tax							
Act 109 Regular Session HB 402	Equalizes the tax credit allowed for taxes paid in other states to the tax that would be paid in Louisiana had the income in question been subject to tax in the state. Applicable to all returns filed after July 1, 2015. Returns filed pursuant to an extension can recoup the credit amount denied in FY16 evenly over the three subsequent fiscal years. However, the entire bill terminates at the end of FY18, before the third year of recoupment can complete. Amended returns are not affected.		\$34,000,000	\$34,000,000	\$27,800,000	\$0	\$0
Act 140 Regular Session SB 93	Prohibits receipt of the \$25 per child tax credit if the tax filer claims the deduction for private school tuition. Applicable to tax years beginning on or after January 1, 2015.		\$2,300,000	\$2,300,000	\$2,300,000	\$2,300,000	\$2,300,000
Sales Tax, general							
Regular Session HCR 8	Suspends exemption for business utilities to 1% of state sales tax for one year.		\$107,200,000				
Act 102 Regular Session HB 207	Exempts from state sales tax bakery products sold at grocery stores, bakeries, and donut shops regardless of whether facilities are furnished for consumption on the premises. July 1, 2015.		DECREASE	DECREASE	DECREASE	DECREASE	DECREASE
Act 39 Regular Session HB 12	Dedicates the state's sales tax on hotel/motel room rentals to the Grant Parish Economic Development Fund.		(\$5,000)	(\$5,000)	(\$5,000)	(\$5,000)	(\$5,000)

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Act 107 Regular Session HB 336	Authorizes the imposition of the state sales tax on vehicles if the purpose of a foreign business owning the vehicle is to avoid the tax, and the tax would be due had the business been formed in the state.		INCREASE	INCREASE	INCREASE	INCREASE	INCREASE
Severance Tax							
Act 120 Regular Session HB 549	Limits the oil & natural gas severance tax exemption granted to production from horizontally drilled wells based on the average monthly NYMEX price in 12 months prior to July 1 each year. That price has to achieve \$70/bbl or \$4.50/mmbtu before the tax exemption begins to phase down. That price has to exceed \$110/bbl or \$7.00/mmbtu for the tax exemption to be 0%. Applicable to production occurring on or after July 1, 2015.		\$0	\$0	\$0	\$0	\$0
Tobacco Tax							
Act 94 Regular Session HB 119	Increases tax on cigarettes by 50¢ per pack, and subjects vapor products to a tax of 5¢ per milliliter of consumable nicotine solution. Effective July 1, 2015.		\$106,400,000	\$107,400,000	\$107,400,000	\$107,400,000	\$107,400,000
Agency Self-Generated Revenue Overcollections							
Act 274 Regular Session SB 216	Authorizes the Louisiana Insurance Guaranty Assn. to make a one-time transfer, with respect to FY15, of excess funds as determined by the association.	\$74,000,000					
Excise License Tax (Premium Tax)							
Act 386 Regular Session HB 259	Expands the surplus lines tax base to include out-of-state premiums where Louisiana is the home state of the policyholder and reduces the tax rate on all surplus lines premiums from 5% to 4.85%. The bill excludes premiums paid by certain political subdivisions based on population; possibly excluding Orleans, Jefferson, and East Baton Rouge. This limitation to the base expansion likely results in a net negative effect on premium tax collections.		DECREASE	DECREASE	DECREASE	DECREASE	DECREASE
Vehicle Certificates of Title							
Act 110 Regular Session HB 445	Increases certificate of title tax and salvage title tax from \$18.50 to \$68.50.		\$59,500,000	\$59,500,000	\$59,500,000	\$59,500,000	\$59,500,000
	Total Adjustments To Major State Tax, License And Fee Estimates	\$74,000,000	\$719,882,500	\$605,770,000	\$587,770,000	\$328,670,000	\$311,970,000

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Instrument	Description	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
SESSION ACTIONS - DEDICATIONS							
Tourism Promotion District							
Regular Session HCR 8	Suspends exemption for business utilities to 1% of state sales tax for one year. A portion of which flows to the Tourism Promotion District.		\$4,200,000				
Tobacco Tax Medicaid Match Fund							
Act 94 Regular Session HB 119	Dedicates tax increases on cigarettes (50¢ per pack) and vapor products (5¢ per milliter of consumable nicotine solution) to the newly created Tobacco Tax Medicaid Match Fund. Effective July 1, 2015.		\$106,400,000	\$107,400,000	\$107,400,000	\$107,400,000	\$107,400,000
	Due to the negative behavioral response to the cigarette tax increase of the bill, two other dedications will likely lose revenue. (A) The Tobacco Tax Health Care Fund, - \$2.2 million, (B) The Tobacco Regulation Enforcement Fund, - \$46,000		(\$2,200,000) (\$46,000)	(\$2,200,000) (\$46,000)	(\$2,200,000) (\$46,000)	(\$2,200,000) (\$46,000)	(\$2,200,000) (\$46,000)
Budget Stabilization Fund							
Act 257 Regular Session SB 122	Increases the base threshold, above which excess mineral revenue is subject to deposit into the Budget Stabilization Fund from the current \$850 million level to \$950 million. Based on current law and mineral revenue projections, the bill first directs excess mineral revenue away from the Budget Stabilization Fund and into the state general fund in FY18 and beyond. Effective upon governor's signature.				(\$4,400,000)	(\$7,200,000)	(\$9,300,000)
Transportation Trust Fund							
Act 275 Regular Session SB 221	Requires transfers into the TTF of general fund receipts attributable to SB 122 of the 2015 session (Act 257 above), as determined by the REC. The maximum amount to be transferred each year is \$100 million, and implementation begins with FY18. The bill also eliminates the contingent dedication of vehicle sales tax to the TTF. Contingent upon SB 122 becoming effective.				\$4,400,000	\$7,200,000	\$9,300,000
Transportation Stabilization SubFund of the Budget and Transportation Trust							
Act 473, 465 Regular Session SB 202 / SB 259	Effectively redirects excess mineral revenue away from the Budget Stabilization Fund (subfund) and into the Transportation Stabilization Fund (subfund) of the new combined Budget and Transportation Trust. Based on current law and mineral revenue projections, the bill first redirects excess mineral revenue in FY18 and beyond, in the amounts of \$4.4 million in FY18, \$7.2 million in FY19, and \$9.3 million in FY20. To be submitted to the electorate on October 24, 2015.				Reallocation Between Funds	Reallocation Between Funds	Reallocation Between Funds

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Transportation Trust Fund							
Act 147 Regular Session SB 271	Converts the taxation basis for CNG and LPG from a self-reporting flat payment basis to gallon equivalent fuels tax basis collected as pumped. Also, reduces the discounts provided for timely filing and remittance. These changes result in greater net fuels tax collections which flow to the TTF.		\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000
Higher Education Initiatives Fund							
Act 140 Regular Session SB 93	Establishes the SAVE (Student Assessment for a Valuable Education) program to facilitate higher education funding. The program is essentially general fund resources appropriated to higher education through an existing statutory dedication special fund. The bill contemplates a maximum of \$350 million per year being channeled to higher education through this mechanism, but each year's dedication amount is determined by the amount actually appropriated through this mechanism. HB 1 for FY16 contains a \$350 million appropriation to the Board of Regents from the Higher Education Initiatives Fund. Effective through FY20.		\$350,000,000				
Major Events Incentive Program Subfund within the Mega-Project Development Fund							
Act 12 Regular Session SB 218	Allows LED to determine the amount of state sales and excise taxes are associated with various qualified events in the state, and upon JLCB approval the treasury is to transfer those amounts from the general fund to the subfund created by this bill. The effect is to dedicate baseline revenue collections and reduce the state general fund. Effects are unlikely in FY16, but possible in subsequent years.		\$0	INCREASE	INCREASE	INCREASE	INCREASE
	Adjustments To Dedications of Major State Tax, License, and Fee Estimates	\$0	\$464,354,000	\$111,154,000	\$111,154,000	\$111,154,000	\$111,154,000
	TOTAL ADJUSTMENTS TO OFFICIAL NET AVAILABLE STATE GENERAL FUND-DIRECT REVENUE FORECAST	\$74,000,000	\$255,528,500	\$494,616,000	\$476,616,000	\$217,516,000	\$200,816,000
OTHER ITEMS OF INTEREST							
Incentive Programs' Expenditure Forecasts							
Act 169 Regular Session SB 222	Beginning with FY17, requires that 28 tax expenditure programs to be forecast by the REC separately from the base revenue forecasts. If forecasts are insufficient to meet program expenditure requirements, program administrators shall notify the REC, and the forecasts may be revised as necessary. Forecasts are not controlling as to appropriations or program expenditures.				Incentive Programs' Expenditure Forecasts		

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ACT 419 ITEMS							
ACT 419 STATUTORY DEDICATIONS							
Crime Victim Reparations Fund							
Act 186 Regular Session HB 143	Transfers unclaimed gaming prizes & winnings (after gaming taxes) from racetrack slot machines, riverboat casinos, the land-based casino, and pari-mutuel horse racing to the Crime Victim Reparations Fund. Effective FY16.		\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000
Conservation Fund							
Act 303 Regular Session HB 198	Increases fees related to commercial crab harvesting.		\$54,000	\$54,000	\$54,000	\$54,000	\$54,000
Act 343 Regular Session HB 579	Increases rental rate for oyster harvesting leases.		\$403,000	\$403,000	\$403,000	\$403,000	\$403,000
Oil and Gas Regulatory Fund							
Act 362 Regular Session HB 784	Creates numerous new fees and increases existing fees related to oil and gas regulation.		\$5,500,000	\$5,500,000	\$5,500,000	\$5,500,000	\$5,500,000
Grant Parish Economic Development Fund							
Act 39 Regular Session HB 12	Dedicates the state's sales tax on hotel/motel room rentals to the Grant Parish Economic Development Fund.		\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
	Total Act 419 Statutory Dedications	\$0	\$7,562,000	\$7,562,000	\$7,562,000	\$7,562,000	\$7,562,000
ACT 419 SELF-GENERATED REVENUE							
Acts 319, 207, 208, 324 Regular Session HBs 316, 317 318, and 354	These bills raise various fees charge by the Office of Financial Institutions for regulatory licensing/permitting purposes.		\$788,250	\$813,900	\$834,350	\$819,700	\$809,950
Act 130 Regular Session HB 774	Increases various fees charged by the Department of Revenue.		\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000
Act 128 Regular Session HB 721	Increases various fines and penalties charged by the Department of Revenue.		\$5,900,000	\$5,900,000	\$5,900,000	\$5,900,000	\$5,900,000

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Act 111 Regular Session HB 448	Increases the fee for obtaining an official driving record from \$6 to \$16. DPS/ Office of Motor Vehicles		\$21,800,000	\$21,800,000	\$21,800,000	\$21,800,000	\$21,800,000
Act 264 Regular Session SB 157	Increases various fees charged by the Court of Appeal.		\$540,000	\$540,000	\$540,000	\$540,000	\$540,000
Act 412, 361 Regular Session HB 604 & HB 773	Authorizes LED to charge and increase fees for supporting the administrative aspects of various LED incentive programs.		\$6,662,000	\$6,662,000	\$6,662,000	\$6,662,000	\$6,662,000
	Total Act 419 Self-Generated Revenue	\$0	\$39,190,250	\$39,215,900	\$39,236,350	\$39,221,700	\$39,211,950
	Total Act 419 Revenue	\$0	\$46,752,250	\$46,777,900	\$46,798,350	\$46,783,700	\$46,773,950